

CENTRAL SERVICES REPORT

Purpose

1. To advise Commissioners of developments within the FC's Central Services and the progress made to achieve the key actions and priorities as set out in the Cross Border and Forest Research Corporate Plans 2015 -16.

Cross Border Activities and Corporate Plan Update

2. CFS delivered 42 of the 49 key actions listed in its Corporate Plan for 2014/15 and of the ones we failed to deliver, five were delayed until summer 2015, and two are awaiting action by other partners, outwith our control. The delayed key actions have been included in our list for 2015/16.

Resilience: Forest Biosecurity

We will protect our woodland resource and increase its resilience to pests and diseases so that our woodland continues to deliver a wide range of economic, social and environmental benefits.

3. The work of the Cross Border Plant Health Service team and the country tree health teams has been examined during a ten day fact finding mission by a team of auditors from the Food and Veterinary Office. The audit team gave us some informal feedback on what has been an extremely successful and valuable exercise which had been well organised and well prepared with good information provided. The auditors noted:

- Good improvements in import controls;
- The UK Plant Health Risk Group and use of the Plant Health Risk Register as examples of best practice for identifying risks and prioritising actions;
- Contingency plans in place, with more plans under development;
- Good surveillance, including innovative approaches and techniques;
- Very good communication within the service and with stakeholders;
- Evidence of good public awareness and use of citizen science as a unique feature in plant health services in Europe;
- Strong science and good relationships between policy and laboratories and excellent collaboration between all parts of the UK.

4. In summary, they were very impressed with the UK plant health service as a whole and in particular, our approach in identifying and tackling new and emerging risks. The auditors described it as the best they had observed in Europe during this series of fact finding missions. They noted how innovative, integrated and effective our systems were compared to other countries which had, in some cases, greater resources. Of course, there are always things that we can do even better and they identified a few areas, but there were no areas of significant concern.

5. An internal audit was undertaken of the import controls performed by the Cross Border Plant Health Service team. The audit gave welcome assurance that the business risks were being adequately managed and recommended some improvements to enhance the adequacy and effectiveness of the framework of governance, risk management and control. Actions to address the recommendations are now planned or in some cases, already in place.

Resilience: Climate Change and Ecosystem Services

We will protect our woodland resource and increase its resilience to the impacts of climate change so that our woodlands continue to deliver a wide range of economic, social and environmental benefits.

6. A PhD proposal to examine the impacts of planned pine marten introductions on grey squirrels has been set up. This research will be carried out by a student based at Exeter University who will be working alongside the Vincent Wildlife Trust (who will be managing the reintroduction) and Forest Research. The PhD is being co-funded by Exeter University and the FC and we hope to strengthen our understanding of the interaction between pine martens and grey squirrels and possibly support the idea that pine martens are an effective natural control for grey squirrels. The PhD post is about to be filled and the University received a high number of very capable applicants.

7. The Social Research team within the FR Social and Economic Research Group have collated all their research publications for the period of the last Science and Innovation Strategy period to provide an overall picture of delivery for this funding cycle. During this funding cycle SERG social researchers produced at least 56 journal papers, at least 53 FC/FR reports and at least 73 other 'publications' e.g. chapters, reports for non-FC customers, conference papers, etc.

8. We have just participated in a research study to a team led by Prof Ian Bateman (member of the Westminster Government's Natural Capital Committee) to assess economic valuation needs in forestry and where future priorities may lie. The work will look at the uses of economic valuation and where there are gaps in the evidence base. The study will cover issues such as air quality, water quality, flood alleviation, and pest and disease control. It will also assess what is needed to provide values for use in developing natural capital accounts in the forestry sector. A steering group comprising forestry colleagues across GB, as well as other Government Departments and agencies, is overseeing the study. The study will be completed by the autumn.

9. We are trialling the development of monitoring and verification procedures for the Woodland Carbon Code. The Code was launched in 2011 and the first verified credits will appear on the market in 2016. The current work is preparing for this. We are also developing proposals for including very small woods in the scheme through a lighter touch approach to certification – we hope that this will encourage more planting on farms under the Code. We have commissioned the development of a marketing strategy for the Code to see how awareness and understanding of it, and the opportunities that it offers, can be increased. We have recently been working with the Turkish Forestry Department on how they might develop a similar code over there.

Standards

We will set the standards for sustainable forest management in the UK, within the framework of international agreements, and promote them domestically and internationally.

10. The mandate of the current International Arrangement on Forests (IAF) expires in May 2015. Following a lengthy and extensive review process a decision on future international arrangements will be taken at the Eleventh Session of the United Nations Forum on Forests (UNFF) in New York, May 2015. A future IAF offers an opportunity for improved synergies and stronger coherence in global forest policy and should play a key role in global governance on sustainable development, linking with other Rio Conventions and the Sustainable Development Goals.

11. We have worked closely with Defra to develop the UK's position in EU Council Working Party to agree a common EU position going forward to UNFF 11. We successfully argued the case for SFM of all types of forest and the multi functionality of forests as a vital component of any future IAF. FC interests are well reflected in the draft EU Council Conclusions which were adopted by Ministers at the Agriculture and Fisheries Council on 20 April. The draft Conclusions were cleared with Devolved Ministers as part of UK Ministerial briefing.

12. Next year, the third edition of the UK Forestry Standard will have been in place for five years. We recently prepared a discussion paper on options for the future of the UK Forestry Standard to garner the views of the country forestry policy teams. The consensus is that we should undertake a light-touch review, aiming to have the new version in place by the end of 2016. The next steps will be to undertake a scoping exercise to assess the extent of changes required, and convene a meeting of the country policy leads. We shall be taking this forward very much as a partnership project with the countries over the coming months.

Evidence

We will ensure that there is a robust evidence base available to the forestry authorities across the UK to underpin their policies, decisions and advice.

13. The Research Strategy Management Board approved the seven new research programmes at its meeting on 7 April. While there are still some decisions to be made about the future direction of two of the programmes, Forest Research has now been

commissioned to deliver the new programmes and outputs from them will be made available during the year.

14. We are continuing to work closely with Defra colleagues across a number of their Network Evidence Action Plans to ensure that there are good linkages with the work we will be doing under the Science and Innovation Strategy.

15. Two statistical releases were issued on 14 May: "UK Wood Production and Trade: Provisional 2014 figures" provides statistics on roundwood removals from UK woodland, deliveries of UK-grown roundwood to wood processors and others, and imports and exports of wood and wood products in 2010 to 2014; "Timber Price Indices: Data to March 2015" includes the coniferous standing sales price index and the softwood sawlog price index.

16. "Woodland area, planting and restocking" was released on 11 June, covering provisional figures for woodland area and certified woodland area at March 2015 and new planting and restocking in 2014-15.

17. The quarterly statistical release "Woodland Carbon Code Statistics" (covering data to March 2015) was released on 9 April. The next edition (covering data to June 2015), will be released on 14 July.

Ways of Working

18. The project to develop a refreshed business model for Forest Research met in February and April and has developed a working proposal for the vision, objectives and operational requirements of the refreshed agency. The last meeting focussed attention on a small number of CFS functions (mainly IFOS) which will require more detailed consideration to fully understand how best to undertake this work in the future. Statistics and economics will be reviewed and agreed with the countries over the coming months. Recommendations from the project will be presented to Commissioners in due course.

19. The WPEP Cross-Border Functions Project is now examining the remaining shortlisted models and preparing a business case for one or more recommended options to be presented to the WPEP Programme Board and then to the Forestry Commissioners. Since the Phase 2 Stage 1 report was approved by Commissioners at the end of last year a number of dependant areas of work have progressed to the point that it may now be possible to rule out some of the shortlisted scenarios and models. It is probable therefore that the project will propose that whilst the FC remains a single organisation, the preferred model for delivering research will be the non-Ministerial department and refreshed executive agency model being developed by the Refresh project and that further change, for example to a company limited by guarantee, would only be invoked in the event that the FC splits into multiple organisations.

20. Progress with the Shared Services Roadmap continues albeit at a slow pace. The consultant whom England has recruited is developing a set of strategic outline business cases for HR and Finance. A separate consultant is being recruited to look at the IT

infrastructure and applications. Scotland has recently recruited a change manager and is in the process of developing a change programme in consultation with the Scottish Government.

21. It is NRW's intention to make sure the changes made over the last six months are properly bedded in to the organisation before making any further changes. We have a meeting scheduled for early June to look at their requirements for 2016/17 and to complete the termination of all remaining services.

Forest Research Activities and Corporate Plan Update

22. FR delivered 20 of the 21 key actions listed in its Corporate Plan for 2014/15 and the one we failed to deliver, in respect of Chalara resistance monitoring, was due to environmental factors outwith our control. As a consequence this key action has been included in our list for 2015/16.

23. FR, subject to audit, secured £4.9 million of non-CFS income in 2014/15 which was in excess of its planned target for the year and a record for the agency.

24. FR is expected to deliver a surplus of £193K for the 2014/15 financial year which is a credit to FR staff and within the limits agreed with the Director Central Services.

25. FR staff also worked exceptionally hard to produce a coherent and credible four year science programme (2015 - 2019) to answer the questions raised by both the Science and Innovation Strategy and country policy teams. This was a major achievement given the difficult and time-constrained commissioning process involved this time round.

Corporate Plan Priority 1: Protect Our Trees and Forests

26. As previously reported, FR scientists are involved in several consortia funded under Phase 2 of the LWEC Tree Health and Plant Biosecurity Initiative (THAPBI). This includes working with various partners on: Population structure of Chalara pathogens; New approaches for the early detection of tree health pests and pathogens; Modelling economic impacts and strategies to increase resilience against tree disease outbreaks; Promoting Resilience of UK tree species to novel pests and pathogens (centred on Scots Pine) and; Biological Pest Control of Insect Pests that threaten tree health. Partners include: John Innes, FERA, Centre for Ecology & Hydrology, Imperial College, Stirling University, Swansea University, Queen Mary University and Bath University.

27. The TreeAlert system has gone live. This is an enhanced website version which will streamline how Forest Research scientists respond to reports of possible tree diseases from Observatree volunteers and members of the public.

Corporate Plan Priority 2: Enhance Forest Ecosystem Resilience and Service Provision

28. An FC Practice Guide on ["Managing forests in acid sensitive water catchments"](#) has been published.

29. FR has been involved in showing how planting productive woodland in specific areas of the UK could reduce the risk of flooding. This was detailed in a report "The Role of Productive Woodlands in Water Management" published by Confor, 17 March 2015. This study highlights the role productive woodland can play in lessening the likelihood of floods as well as offering significant potential improvements to the water environment and a range of additional economic and environmental benefits.

Corporate Plan Priority 3: Ensure sustainable management and adaptation of our forests to climate change

30. FR has obtained support from the countries to partner with the i-Tree Cooperative to systematically update the i-Tree Eco model for local data and geographic parameters enabling full operational functionality across the UK. The i-Tree Cooperative have agreed with FR to both match-fund the contribution of FR and extend the functionality of the model in line with developments in the US and internationally. The UK will be the third country outside of the US to have a fully functional i-Tree Eco model.

31. An updated 'beta' model is currently being tested by FR and will subsequently be made freely accessible to UK users via the internet. Users will be able to analyse field survey data without needing to collect numerous complementary datasets. FR will become a repository for data arising through i-Tree Eco studies conducted across the UK. With this data FR will be able to assess the species and age composition as well as the health and distribution of the UK's urban forests and comment on its resilience to a changing climate.

Corporate Plan Priority 4: Effect Knowledge Exchange

32. FR has established a Twitter account (@Forest_Research) which will operate from mid-May 2015.

33. A successful interview between Joan Webber (Head of Tree Health Research Group, Alice Holt) and Pippa Greenwood (BBC Gardeners Question Time) on tree diseases was aired on 20 March. A follow-on piece about Phytophthoras was recorded at the same time and this will be aired in a forthcoming programme.

34. Several FR staff attended the Institute of Chartered Foresters discussion meeting in Cardiff on tree health, resilience and sustainability. Two FR staff gave stimulating presentations about promoting best practice in biosecurity and tree species selection and management respectively; staff also manned displays of FR work around tree health and citizen science.

35. A member of FR staff led the authorship on an FC Research Report on *Shake in Oak: An Evidence Review* and is drafting a guide for FC Scotland *Growing Oak for Higher Quality Timber*. The topic was also presented at two hardwood grading seminars for FC Scotland.

36. FR was a contributing author on forestry risks in the chapter on Natural Environment and Assets of the next UK Climate Change Risk Assessment (CCRA2).

37. FR staff led a Field Study Day for the British Land Reclamation Society – key delivery partners were FC Thames Beat, RSPB and Buglife. Around 20 attendees visited three former landfill sites to discuss the role and potential future of ‘ecology’ in land regeneration.

Corporate Plan Priority 5: Grow Our Business

38. A number of FR scientists attended a seminar on Giant Panda Conservation and Forest Landscape Restoration along with colleagues from the Edinburgh Botanic Gardens, Edinburgh University, Edinburgh Zoo and Glasgow School of Art Design Studio. A programme of future work was agreed and will be detailed in a report to be written by the Scottish participants shortly. This report will form the basis for a series of co-ordinated funding applications by ourselves and our Chinese colleagues to develop a meaningful research collaboration going forward. In addition, the general terms of an MoU between FCS and the Sichuan Department of Forestry were negotiated on behalf of FCS and these will now be discussed further and finalised.

39. The International Union of Forest Research Organizations (IUFRO) has asked Prof. Peter Freer-Smith to lead a new Task Force on ‘Sustainable Planted Forests for a Greener Future’. This is a useful development which will help to lift FR’s involvement in IUFRO and help with external bids e.g. EU.

40. FR staff have developed a method to assess ecological network coherence and resilience for the Somerset Wildlife Trust. The tool developed from this work will feed into new programme work and externally funded ecological network assessments.

Shared Services Update

Human Resources

Payroll

41. The new payroll system, ePayfact, was successfully implemented on 1 April 2015. The Rebus payroll system was replaced by ePayfact in order to support the implementation of the Civil Service Pension Reform.

Pensions

42. A total of 1493 employees were successfully migrated into the new alpha pension scheme on 1 April 2015. The Pension team were highly praised by the Cabinet Office project team for their readiness and accuracy.

Whistleblowing

43. HR Directors across Civil Service Departments received a letter from Cabinet Office dated 17 December 2014 with a detailed list of the Public Account Committee (PAC) recommendations and requested that HR Directors work with their Permanent Secretaries to ensure that these recommendations are implemented.

44. The FC launched a new Whistleblowing Policy and Procedure in April 2015 in line with the PAC recommendations. The new Whistleblowing Policy and Procedure clarifies that the Director of Central Services has overall responsibility for whistleblowing practices within the FC, promotes an open culture where employees feel comfortable to raise a concern, and emphasises the support and protection given to whistle blowers.

Health and Safety

45. The Health and Safety Strategy Group have met and discussed the Forestry Commission Safety Climate Tool survey results and how they should be disseminated across the organisation. 70% of FC staff had taken the time to complete the survey. The Health and Safety Strategy Group took the view that staff communication should bring out the highs and lows of the Forestry Commission report. It should also state how we proposed to improve based on the survey results. Access to the full report will be on the intranet. The England, Scotland, Forest Research and Shared Services + CFS Reports will go to Directors and the Health and Safety Committees. Local reports will then go to Unit Managers and the local Health and Safety Committees. The positive areas from the survey were organisational commitment, health and safety trust and engagement in health and safety. The negatives were accident and near miss recording and useability of some procedures.

46. Safety, Health and Environment have been asked by Scotland and England to conduct an audit to establish that staff have a clear understanding of the Forestry Commission undertaking in respect to overhead power lines and underground cables and to check how this information is imparted, recorded and updated. We have agreed the Terms of Reference and timescales.

E Recruitment Portal

47. FC has now moved to the CS Resourcing E recruitment portal system which went live on 13 April for all new vacancies. The new system will replace I-grasp and will be used in all stages of the recruitment process.

Civil Service Learning (CSL)

48. Since the launch of Civil Service Learning on 1 April, 218 staff have enrolled on the elearning portal and 78 on-line courses have been completed. We have also commenced our first procurement exercise with CSL for Driver Training in Scotland which is proving to be an efficient and effective approach.

Staff Survey 2015

49. The Staff Survey will run in September 2015.

Graduate Intake 2015

50. Three Graduates have been recruited (two for Scotland and one for England). They will join us during the summer.

Diversity Objectives

51. The Forestry Commission has a legal requirement to develop and publish Diversity Objectives every four years. In preparation for the review and publication of the new Objectives by April 2016, the Diversity Team has begun to gather evidence and support business leads in developing relevant actions to progress the diversity agenda. The Diversity Manager has secured a post in FC Scotland and is leaving the Diversity Team soon.

Equality Analysis of Roadmap Impacts on Staff

52. The Diversity Team are providing ongoing advice and input to Equality Analysis for the devolution of Shared Services, specifically focussing on the potential impacts on different protected characteristic groups within the workforce. As the Roadmap progresses, they are supporting business leads in understanding and monitoring potential staff impacts for each project, as well as Shared Services overall.

Civil Service Talent Action Plan

53. The Civil Service Talent Action Plan, launched in November 2014, was updated in April 2015 and outlines actions to be taken forward by Senior Leaders to improve the staff diversity of the wider Civil Service Staff Group.

54. The Diversity Team have engaged with, and are supporting, Forestry Commission Diversity Champions in understanding and progressing relevant actions across business areas.

Finance

Natural Resources Wales

55. NRW have now disengaged from using our financial systems. The main services being used in the finance area that are provided by FC are in commercial activities such as timber and wildlife management. We have developed automated interfaces between these systems and NRW financial ledgers.

Procurement Services

56. The final draft of the guidance for the new England and Wales Public Contract Regulations (2015), that became law in February 2015, has now been published. The

guidance provides a generic and compliant set of documents that will allow procurement in FC Shared Services/FR and FC/FE England to be conducted in a manner that meets the requirements of the regulations. Work on the regulations for Scotland is not required until late 2015.

57. Progress continues to be made on the devolution of procurement services to the countries. It is expected that the Business Case for devolution of procurement will be available in June 2015.

Jean Lindsay
Director Central Services
June 2015